

United States Environmental Protection Agency Statement of Basis Air Pollution Control Part 71 Title V Permit to Operate for Fidlar Compressor Station Permit No. V-UO-000002-2022.00

The purpose of this document is to set forth the legal and factual basis for permit conditions, including references to applicable provisions of the Clean Air Act (CAA or Act) and implementing regulations of the CAA title V operating permit program at 40 C.F.R. part 71 (Part 71). This document also gives the derivation of conditions as required by 40 C.F.R. § 71.11(b).

1. EPA Authority to Issue Part 71 Permits

All major stationary sources of air pollution and certain other sources are required to apply for title V operating permits that include emission limitations and other conditions as necessary to assure compliance with applicable requirements of the CAA, including the requirements of the applicable State Implementation Plan (SIP). CAA §§ 502(a) and 504(a). The title V operating permit program does not generally impose new substantive air quality control requirements (referred to as "applicable requirements"), but does require permits to contain monitoring, recordkeeping, reporting and other requirements to assure source' compliance with applicable requirements. 57 FR 32250, 32251 (July 21, 1992). One purpose of the Title V operating permit program is to "enable the source, States, EPA, and the public to understand better the requirements." 57 FR 32251. Thus, the title V operating permit program is a vehicle for ensuring that air quality control requirements are appropriately applied to the source emission units and for assuring compliance with such requirements.

Part 71 programs for Indian country - The Administrator will administer and enforce an operating permits program in Indian country, as defined in § 71.2, when an operating permits program which meets the requirements of part 70 of this chapter has not been explicitly granted full or interim approval by the Administrator for Indian country, or when the Part 71 Permit Program has not been delegated.

2. Facility Information and Description

Applicant and Stationary Source Information

Owner/Operator	Facility SIC/NAIC Code: 4922
MountainWest Pipeline, LLC	Fidlar Compressor Station
P.O. Box 45360	Latitude: 40.039722N
Salt Lake City, Utah 84145-0360	Longitude: 109.456944W

Table 1: Applicant Information

Table 2: Stationary Source Information	
Responsible Official	Facility Contact
Stewart J. Merrick	Dani Baldwin
Vice President, Legal and Regulatory	Environmental Specialist
MountainWest Pipeline, LLC	MountainWest Pipeline, LLC
P.O. Box 45360	P.O. Box 45360
Salt Lake City, Utah 84145	Salt Lake City, Utah 84145
(385) 214-7468	(801) 201-0595

Table 2: Stationary Source Information

Facility Description

Fidlar Compressor Station (Fidlar) is an integral part of MountainWest Pipeline's (MWP) interstate-pipeline transmission system. Fidlar provides critical transportation compression needs of the natural gas shippers on the MWP's southern transmission system. Fidlar receives natural gas from and delivers it to any one of MWP's main pipelines that transport natural gas east, west and north to existing markets and interconnecting points with other interstate pipelines.

There are currently four gas compressors operating at Fidlar (Emission Units FS01, FS02, FS03 and FS05). Three natural gas-fired turbines drive three gas compressors, and a natural gas-fired internal combustion engine drives one gas compressor. All equipment at Fidlar burn pipeline quality natural gas as the only fuel source.

Natural gas enters the station and passes through separator tanks. The tanks allow any entrained liquids to drop out of the natural gas. Commercial quantities of condensate are piped to a third-party processing plant several miles away. Small quantities of contaminated hydrocarbon liquid (condensate) and sludge are temporarily stored on site and then removed by truck. The natural gas passes through gas scrubbers consisting of cloth type filters to remove gas laden impurities. Impurities are caught in the filters or accumulated in pipeline liquids that are occasionally blown to the sludge tank. Natural gas pressure is then boosted by the compressor units. After compression, natural gas is cooled by cooling fans which draw ambient air over the pipes to cool the gas. There is no contact between the cooling air and natural gas. The facility is equipped with one natural gas-fired internal combustion reciprocating engine used to drive a standby emergency generator. The generator provides electric power to the compressor station during power outages only. There are numerous shutdown and relief valves associated with the facility. A natural gas-fired boiler provides heat to the buildings. A natural gas-fired line heater is used to prevent station fuel gas line freezing.

Title V Major Source Status

The Part 71 Permit Program applies to major sources, as defined in 40 C.F.R. § 71.2. The title V major source thresholds, as determined by pollutant-specific potential to emit (PTE), for criteria pollutants are 100 tons per year (tpy) and for HAP are 10 tons/year for a single HAP or 25 tons/year for any combination of HAPs.

According to the information provided by MWP in their Part 71 renewal application, Fidlar is a major title V source for nitrogen oxides (NOx) and carbon monoxide (CO), as the facility-wide PTE of each pollutant exceeds the major source thresholds.

Source Determination

At 40 C.F.R. § 71.2, a major source is generally defined as any stationary source (or any group of stationary sources) that is located on one or more contiguous or adjacent properties, is under common control of the same person (or persons under common control) and belongs to a single major industrial grouping. On June 3, 2016, the EPA published a final rule clarifying when oil and natural gas sector equipment and activities must be deemed a single source when determining whether major source permitting programs (preconstruction permit programs Prevention of Significant Deterioration (PSD) Permit Program at part 52, Nonattainment New Source Review (NNSR) Permit Program at 40 C.F.R. part 49, and the Part 71 Permit Program) apply (81 FR 35622). By defining the term "adjacent," the rule specifies that equipment and activities in the oil and natural gas sector that are under common control will be considered part of the same source if they are located on the same surface site or on individual surface sites that share equipment and are within a ¹/₄ mile of each other.

According to information provided by MWP in their Part 71 renewal application, there are no surface sites with shared emissions equipment within ¹/₄ mile of Fidlar.

Area Classification - Local Air Quality and Attainment Status

Fidlar is located on Indian country lands within the boundaries of the Uintah and Ouray (U&O) Indian Reservation and within an area designated as Marginal nonattainment for the 2015 ozone National Ambient Air Quality Standard (NAAQS) of 70 parts per billion.¹

Tribal Reservation Contact

Lonnie Favel Acting Air Quality Program Director Ute Indian Tribe P.O. Box 70 Fort Duchesne, Utah 84026 (435) 725-4974 or <u>lonnief@utetribe.com</u>

Identification of Emission Generating Activities

The Part 71 Permit Program allows the Permittee to separately list in the permit application units or activities that qualify as "insignificant" based on potential emissions below 2 tons tpy for all regulated pollutants that are not listed as HAP under section 112(b) and below 1,000 lbs/year or the de minimis level established under section 112(g), whichever is lower, for HAP. However,

¹ On April 30, 2018, the EPA designated all of the Uinta Basin below a contiguous external perimeter of 6,250 ft. in elevation as a Marginal nonattainment area under the 2015 ozone NAAQS (83 FR 25776). This includes land under state jurisdiction and land under tribal jurisdiction. For more information, see *https://www.epa.gov/ozone-designations/additional-designations-2015-ozone-standards*, accessed June 16, 2023.

the application may not omit information needed to determine the applicability of or to impose, any applicable requirement. Units and activities that qualify as "insignificant" for the purposes of the Part 71 application are in no way exempt from applicable requirements or any requirements of the Part 71 permit. Tables 3 and 4 list emission units and emission generating activities, including any air pollution control devices.

Unit I.D.	Description	Control Equipment
FS01	11.16 MMBtu/hr* (1,019 hp*); natural gas-fired turbines. Solar Saturn T1001:Serial Number: 21035Installed: 7/21/2004	None
FS02	10.79 MMBtu/hr (1,061 hp); natural gas-fired 4-stroke rich-burn SI* RICE*; White Superior, 12G-825:Serial Number: 299499Installed: 12/3/1983	3-way NSCR*
FS03	11.16 MMBtu/hr* (1,019 hp*); natural gas-fired turbines. Solar Saturn T1001:Serial Number: 20950Installed: 6/12/2004	None
FS05	37.05 MMBtu/hr (4,028 hp); natural gas-fired turbine; Solar CentaurT4702:Serial Number: OHG22-C6196Installed: 8/5/2004	None
FS07	643hp; natural gas-fired 4-stroke rich-burn SI RICE; Cummins GTA28CC standby generator:Serial #: 25352466Installed: 3/17/2011	3-way NSCR*
FS08	Fugitive emissions from valves, seals, pumps, etc.	None
MWP Tank	400-bbl* Condensate Storage TankSerial Number: 0301Installed: Pre 1991	None
MWP Tank Load Out	400 bbl/yr condensate tank load outSerial Number: UnknownInstalled: Pre 1991	None

 Table 3: Emission Units and Emission Generating Activities

*hp = Horsepower; MMBtu/hr = millions of British Thermal Units per hour; RICE: Reciprocating Internal Combustion Engine; SI: spark ignition; bbl = barrel; NSCR = Non-Selective Catalytic Reduction

Table 4: Insignificant Emission Units*

Description
Maintenance cabinet
UPS battery banks (2)
Natural gas fuel line heater – 0.75 MMBtu/hr
Air compressor (electric drive)
Space heaters (2) – 0.11 MMBtu/hr

Description	
Two 500-gallon Diesel fuel storage tanks	
Natural gas boiler for building heat – 1.7 MMBtu/hr	
Bench grinder	
Two 500-gallon Lube oil tanks	
678-gallon Ambitrol tank	
Two Glycol storage tanks 6,300 & 3,755-gallon)	
Five Compressor blowdown & ESD vents	

*Insignificant emission units, as defined in 40 CFR 71.5(c)(11), can change at the facility as long as the new or replacement units meet the criteria for insignificance, and MWP supplies information as required under the Part 71 Permit Program and this permit. The insignificant emission unit status does not exempt these emission units from the requirements of any standards that may apply under 40 C.F.R. parts 60 or 63.

Permitting, Construction and Compliance History

Fidlar was initially permitted on October 20, 2000 (Permit # V-UO-0002-00.00) and currently operates under the Part 71 permit No. V-UO-000002-2013.00 (2nd renewal) which expired on February 7, 2023, but because a timely renewal application was submitted on July 27, 2022, is considered extended until this 3rd renewal is issued. The renewal permit application was deemed complete on September 13, 2022. Email correspondence between the EPA and MWP with the EPA's requested additional information and MWP's responses are provided in the docket (#EPA-R08-OAR-2022-0726).

3. Emission Inventory

Pursuant to 40 C.F.R. § 52.21, PTE is defined as the maximum capacity of a stationary source to emit a pollutant under its physical and operational design. Any physical or operational limitation on the capacity of the source to emit a pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design <u>if</u> the limitation, or the effect it would have on emissions, is federally enforceable. Independently enforceable applicable requirements are considered enforceable to the extent that the source is in compliance with the standard. In addition, beneficial reductions in non-targeted pollutants resulting from compliance with an independently enforceable applicable requirement may be counted towards PTE provided the emission reduction of the non-targeted pollutant is enforceable as a practical matter and compliance is being met. See the 1995 guidance memo signed by John Seitz, Director of the Office of Air Quality Planning and Standards titled, "Options for Limiting Potential to Emit of a Stationary Source under Section 112 and Title V of the Clean Air Act."²

MWP reported the controlled emission unit-specific PTE in their Part 71 renewal permit application. The controlled emissions in Table 5 are based on the legally and practicably enforceable requirements set forth in this draft permit.

² The 1995 guidance memo is available at <u>https://www.epa.gov/enforcement/options-limiting-potential-emit-pte-stationary-source-under-section-112-and-title-v</u>

Emissions Unit Id.	NO _{X*} (tons/yr)	VOC* (tons/yr)	SO _{2*} (tons/yr)	PM*/ PM _{2.5} /PM ₁₀ (tons/yr)	CO* (tons/yr)	CH ₂ O* (tons/yr)	Total HAP (tons/yr)
FS01	29.22	0.11	0.07	0.34	47.43	0.04	0.04
FS02	20.49	10.25	0.07	0.97	20.49	1.03	1.42
FS03	29.22	0.11	0.07	0.34	47.43	0.04	0.04
FS05	24.67	0.36	0.23	1.13	19.80	0.12	0.12
FS07	0.71	0.36	< 0.01	0.03	1.42	0.04	0.05
FS08	0.00	3.56	0.00	0.00	0.00	-	0.02
MWP Tank	0.00	3.06	0.00	0.00	0.00	-	0.12
MWP Loadout	0.00	0.08	0.00	0.00	0.00	-	0.01
Insignificant Sources	1.05	0.12	< 0.01	0.08	0.88	-	<0.01
TOTAL	105.37	18	0.45	2.90	137.44	1.26	1.28

 Table 5- Potential-to-Emit with Legally and Practicably Enforceable Controls

*NO_X = nitrogen oxide; VOC = volatile organic compound; PM= Particulate Matter; PM₁₀ = PM with particulate size less than 10 microns; PM_{2.5} = PM with particulate size less than 2.5 microns; SO₂ = sulfur dioxide; CO = carbon monoxide; CH₂O = formaldhyde; HAP = hazardous air pollutants.

4. Regulatory Analysis

The discussions in the following sections are based on the information provided by MWP in their Part 71 renewal application, certified to be true and accurate by the Responsible Official of this facility.

NSR, 40 C.F.R. Part 49

40 C.F.R. Part 49 § 49.151 – Federal Minor New Source Review Program in Indian Country:

The Federal Minor New Source Review (MNSR) Permit Program at 40 C.F.R. part 49, subpart C (§§49.151 through 49.165), is a preconstruction review requirement of the CAA that applies to all new and modified minor sources, synthetic minor sources and minor modifications at major sources, located in Indian country where no EPA-approved program is in place. True minor sources and modifications and minor modifications at existing major sources are proposed projects that have PTE for any pollutant regulated under the MNSR Permit Program that are below the major source thresholds in the PSD Permit Program or the NNSR Permit Program at 40 C.F.R. part 49, subpart C, and above the minor source thresholds in Table 1 of 40 C.F.R. 49.153 (thresholds differ depending on the pollutant). The MNSR Permit Program also provides the EPA authority to establish enforceable restrictions for an otherwise major source to establish that source as a synthetic minor source for NSR-regulated pollutants or HAP for the purposes of the PSD, NNSR or title V Permit Programs, or for the purposes of major source requirements of the NESHAP at 40 C.F.R. part 63. Additionally, the MNSR Permit Program established a

Federal Implementation Plan (FIP) (§§ 49.101 through 49.105) for true minor sources in the oil and natural gas production and natural gas processing segments that are in Indian country.

Fidlar was originally constructed and commenced operations before August 30, 2011, the effective date of the MNSR Permit Program. The PTE of all NSR-regulated pollutants was below 250 tpy and the source was considered an existing true minor source with respect to the MNSR Permit Program until the effective date of designation of the Uinta Basin Marginal ozone nonattainment area in 2018. As explained in more detail in section below (40 C.F.R. § 49.166), Fidlar is currently an existing major source of NOx emissions with respect to the Federal Major NNSR Permit Program.

MWP currently holds a synthetic minor NSR permit issued by the EPA on November 1, 2006. The permit contains emission limits originally established by the EPA in a July 12, 2011 Part 71 permit. The creation of emission limits in Part 71 permit was a temporary, gap-filling measure for those sources operating in Indian country that did not at the time have the ability to obtain these limits through pre-construction permitting programs, such as those existed in state jurisdictions. Upon promulgation of the MNSR Permit Program, it became necessary to transfer those limits to an appropriate MNSR permit under the provisions of 40 C.F.R. § 49.158. The MNSR permit issued to Fidlar contains enforceable limits on NOx emissions from the 4SRB compressor engine, identified as emissions unit FS02 in Table 3.

<u>40 C.F.R. Part 49 § 49.166 – Federal Major New Source Review Program for Nonattainment</u> Areas in Indian Country:

The Federal Major NSR Program for Nonattainment Areas in Indian Country (NNSR Permit Program) at 40 C.F.R. part 49 is a preconstruction review requirement of the CAA that applies to proposed projects that are sufficiently large (in terms of emissions) to be a "major" stationary source or "major modification" of an existing stationary source in an area that the EPA has designated nonattainment for a NAAQS (See 40 C.F.R. § 49.167). Similar to the PSD Permit Program, source size is defined in terms of PTE, but a new stationary source or a modification to an existing stationary source is major if the proposed project has the PTE for any pollutant regulated under the 40 C.F.R. part 49 requirements in amounts equal to or exceeding specified major source thresholds defined in 40 C.F.R. part 51, appendix S.

On April 30, 2018, the EPA designated portions of the Indian country lands within the U&O Reservation as Marginal nonattainment for the 2015 ozone NAAQS effective on August 3, 2018. Fidlar is located within that marginal ozone nonattainment area. Appendix S lists the marginal ozone nonattainment major source threshold for VOC or NOx emissions as 100 tpy. As explained previously, Fidlar was not considered a major source with respect to the PSD Permit Program at the time of construction and it was considered an existing true minor source with respect to the MNSR Permit Program until the effective date of the Uinta Basin Marginal ozone nonattainment area designation in 2018, when it became a major source of NOx emissions, because the PTE of NOx, a precursor pollutant to ozone, is greater than 100 tpy. As such, the allowable emission increases of any future modification projects planned at Fidlar will need to be evaluated against the NNSR significance thresholds of 40 tpy for NOx and VOC to determine

the review requirements that apply under the NSR Permit Programs (*see* 40 C.F.R. Appendix-S-to-Part-51 II.A.10.(i)).

PSD, 40 C.F.R. Part 52.21

The Prevention of Significant Deterioration Permit Program at 40 C.F.R. part 52 is a preconstruction review requirement of the CAA that applies to proposed projects that are sufficiently large (in terms of emissions) to be a "major" stationary source or "major modification" of an existing stationary source. Source size is defined in terms of PTE, which is its capability at maximum design capacity to emit a pollutant, except as constrained by existing legally and practically enforceable conditions applicable to the source. A new stationary source or a modification to an existing minor stationary source is major if the proposed project has the PTE of any pollutant regulated under 40 C.F.R. part 52 in amounts equal to or exceeding specified major source thresholds, which are 100 tpy for 28 listed industrial source categories and 250 tpy for all other sources. PSD also applies to modifications at existing major sources that cause a "significant net emissions increase" at that source. Significance levels for each pollutant are defined in the PSD regulations at 40 C.F.R. § 52.21.

According to the information provided by MWP in their Part 71 renewal application, the PTE for CO, PM, PM₁₀, PM_{2.5}, and SO₂ are all below 100 tpy; therefore, Fidlar is not a major source for those pollutants with respect to the PSD Permit Program. As previously explained in more detail above (40 C.F.R. § 49.166), Fidlar is an existing major source of NOx emissions with respect to the Federal Major NNSR Permit program.

NSPS, 40 C.F.R. Part 60

<u>40 C.F.R. Part 60, Subpart A</u>: This subpart applies to the owner or operator of any stationary source which contains an affected facility, the construction or modification of which is commenced after the date of publication of any standard in 40 C.F.R. part 60 (Part 60). The general provisions under subpart A apply to sources that are subject to the specific subparts of Part 60.

According to the information provided by MWP in their Part 71 renewal application, the gas turbines (Emissions Units FS01, FS03 and FS05 listed in Table 3) are subject to subpart GG of Part 60 and the standby generator engine (Emissions Unit FS07 listed in Table 3) is subject to subpart JJJJ of Part 60, therefore, the General Provisions of Part 60 apply.

<u>40 C.F.R. Part 60, Subpart GG</u>: This rule applies to stationary gas turbines, with a heat input at peak load equal to or greater than 10.7 gigajoules per hour (10 MMBtu/hr), that commenced construction, modification or reconstruction after October 3, 1977.

According to the information provided by MWP in their Part 71 renewal application, the stationary gas turbine units, FS01, FS03 (11.17 MMBtu/hr each) and FS05 (37.05 MMBtu/hr), commenced construction, modification or reconstruction after October 3, 1977, and are affected facilities subject to this subpart.

<u>40 C.F.R. Part 60, Subpart JJJJ</u>: This subpart establishes emission standards and compliance requirements for the control of emissions from stationary spark ignition (SI) internal combustion engines (ICE) that commenced construction, modification, or reconstruction after June 12, 2006, and are manufactured on or after specified manufacture trigger dates. The manufacture trigger dates are based on the engine type, fuel used and maximum engine horsepower.

According to the information provided by MWP in their Part 71 renewal application, Emission Unit FS02 was constructed before June 12, 2006, and has not been modified or reconstructed and as such, is not subject to Subpart JJJJ. Emergency generator engine (Emissions Unit FS07 listed in Table 3) was constructed after June 12, 2006, and manufactured after the applicability date for natural gas-fired SI ICE greater than 500 hp. Therefore, this subpart applies to Emissions Unit FS07 only.

<u>40 C.F.R. Part 60, Subpart KKKK</u>: The rule applies to stationary combustion turbines with a heat input at peak load equal to or greater than 10.7 gigajoules (10 MMBtu) per hour that commenced construction, modification or reconstruction after February 18, 2005.

According to the information provided by MWP in their Part 71 renewal application, turbine units FS01, FS03 and FS05 initially commenced construction, modification or reconstruction before February 18, 2005. Therefore, this subpart does not apply to turbine units FS01, FS03 and FS05.

<u>40 C.F.R. Part 60, Subpart OOOO</u>: This subpart establishes emission standards for the control of VOC and SO₂ emissions from affected facilities that commence construction, modification, or reconstruction after August 23, 2011, and on or before September 18, 2015. Affected facilities include, but are not limited to well completions, centrifugal compressors, reciprocating compressors, pneumatic controllers, storage vessels and sweetening units.

Based on the information provided by MWP in their Part 71 renewal application, the current equipment at Fidlar predates the applicability date for this subpart. Therefore, this facility is not subject to this Subpart.

<u>40 C.F.R. part 60, Subpart OOOOa</u>: This subpart establishes emission standards for the control of VOC and SO₂ emissions from affected facilities that commence construction, modification or reconstruction after September 18, 2015. Affected facilities include, but are not limited to well completions, centrifugal compressors, reciprocating compressors, pneumatic controllers, storage vessels and sweetening units.

Based on the information provided by MWP in their Part 71 renewal application, the current equipment at Fidlar predates the applicability date for this subpart. Therefore, this facility is not subject to this Subpart.

NESHAP, 40 C.F.R. Part 63

<u>40 C.F.R. Part 63, Subpart A</u>: The requirements of 40 C.F.R. part 63, subpart A apply to sources that are subject to the specific subparts of 40 C.F.R. part 63.

Subpart A does not apply because Fidlar is only subject to subpart ZZZZ for RICE at area sources, which refers to NSPS JJJJ for compliance and no further requirements apply under part 63, including subpart A.

<u>40 C.F.R. Part 63, Subpart HH</u>: This subpart establishes emission standards for the control of HAP emissions from affected units located at natural gas production facilities that process, upgrade or store natural gas prior to the point of custody transfer, or that process, upgrade or store natural gas prior to the point at which natural gas enters the natural gas transmission and storage source category or is delivered to a final end user. The affected units are glycol dehydration units, storage vessels with the potential for flash emissions (as defined in the rule) and the group of ancillary equipment and compressors intended to operate in volatile HAP service which are located at natural gas processing plants.

Based on the information provided by MWP in their Part 71 renewal application, Fidlar does not operate any affected units, including storage vessels with the potential for flash emissions (as defined in the rule) or glycol dehydration units. Therefore, this facility is not subject to this Subpart.

<u>40 C.F.R. Part 63, Subpart YYYY</u>: This rule establishes national emission limitations and work practice standards for HAPs emitted from Stationary Combustion Turbines. Affected sources are stationary combustion turbines located at major sources of HAP emissions.

According to the information provided by MWP in their Part 71 renewal application, Fidlar is not subject to this Subpart because it is not a major source of HAP as determined by the applicability criteria of this rule.

40 C.F.R. Part 63, Subpart ZZZZ (Subpart ZZZZ or maximum achievable control technology (MACT) ZZZZ): This subpart establishes emission standards and operating limitations for the control of HAP emissions from SI and compression ignition (CI) RICE.

According to the information provided by MWP in their Part 71 renewal application, Fidlar is currently not a major source of HAP emissions. Therefore, only the portions of the rule that apply to engines operating at area sources may potentially apply. Emissions Unit FS02 is an existing remote natural gas-fired 4-stroke rich burn SI engine with >500 hp constructed before June 12, 2006. Therefore, the area source requirements of subpart ZZZZ apply to Unit FS02. Emergency engine (identified as Emissions Unit FS07 in Table 3) is a natural gas-fired 4-stroke rich burn SI RICE with >500 hp constructed after June 12, 2006 at an area source of HAP, and as such, it is subject to the area source requirements of Subpart ZZZZ and complies by meeting the applicable requirements of 40 C.F.R. Part 60, subpart JJJJ, for natural gas-fired SI engines. No further requirements apply to FS07 under Part 63.

40 C.F.R. Part 64 (Compliance Assurance Monitoring (CAM) Rule)

Pursuant to requirements concerning enhanced monitoring and compliance certification under the CAA, the EPA promulgated regulations to implement compliance assurance monitoring (CAM) for major stationary sources of air pollution, for purposes of title V permitting that are required to obtain operating permits under Part 71. The rule requires owners or operators of such sources to conduct monitoring that provide a reasonable assurance of compliance with applicable requirements under the CAA.

1. CAM Applicability

According to § 64.2(a), CAM applies to each pollutant specific emission unit (PSEU) located at a major source which is required to obtain a Part 71 permit if the unit satisfies all of the following criteria:

- (a) The unit is subject to an emission limitation or standard for the applicable regulated air pollutant other than an emissions limitation or standard that is exempt under § 64.2(b)(1);
- (b) The unit uses a control device to achieve compliance with any such limit or standard; and
- (c) The unit has pre-control device emissions of the applicable regulated pollutant that are equal to or greater than 100 percent of the amount, in tpy, required for a source to be classified as a major Title V source.
- 2. CAM Plan Submittal Deadlines
 - (a) Large pollutant-specific emissions units. A CAM plan submittal for all PSEUs with the PTE (taking into account control devices) of any one regulated air pollutant in an amount equal to or greater than 100 percent of the amount, in tpy, required for a source to be classified as a major source, is due at the following times:
 - i. On or after April 20, 1998, if by that date, a Part 71 application has either:
 - *A.* Not been filed; or
 - *B.* Not yet been determined to be complete.
 - ii. On or after April 20, 1998, if a Part 71 permit application for a significant modification is submitted with respect to those PSEUs for which the requested permit revision is applicable; or
 - iii. Upon application for a renewed Part 71 permit and a CAM plan has not yet been submitted with an initial or a significant modification application, as specified above.
 - (b) Other pollutant-specific emissions units. A CAM Plan must be submitted for all PSEUs that are not large PSEUs, but are subject to this rule, upon application for a Part 71 renewal permit.

Based on the information provided by MWP in their Part 71 renewal application, none of the turbines at Fidlar (Emissions Unit FS01, FS03, and FS05) are PSEUs as none of these turbines use add-on control devices to achieve compliance with applicable emissions limits, nor do they have pre-control device emissions that exceed the title V major source thresholds in tpy. Therefore, none of the turbines are subject to the CAM requirements.

The EPA has determined that the short-term lbs/hr and g/hp-hr NOx emission MNSR limits applicable to engine FS02 make the unit subject to the CAM rule. However, the work practice, operational, testing, monitoring, recordkeeping, and reporting requirements already in the MNSR permit associated with those limits satisfy the requirements of the CAM rule at 40 C.F.R. § 64.6(c) and the EPA determined that no additional monitoring requirements were necessary in the draft Part 71 permit to assure compliance. Specifically, the MNSR permit requires the temperature of the natural gas at the inlet to the NSCR and the pressure drop across the catalyst, both indicators of the catalyst's proper operation, to be maintained within an optimum range specified by the manufacturer of the control equipment. The MNSR permit requires initial and subsequent annual performance testing of the compressor engine to demonstrate compliance with the NOx emission limits, as well as performance testing of the engine each time the catalyst is changed out. The MNSR permit also requires monitoring of CO emissions using a portable analyzer and EPA-approved portable monitoring protocol simultaneously with any performance test for NOx emissions to ensure there is no engine tuning immediately prior to or during the performance tests and the engine is being tested at normal operating conditions. Additionally, the MNSR permit requires hourly monitoring of the temperature and pressure drop parametric indicators. The MNSR permit requires immediate corrective action to be taken if the parametric measurements deviate from the optimum ranges specified in the permit. The MNSR permit also requires monitoring of the NOx and CO emissions from the engine using a portable analyzer and EPA-approved portable monitoring protocol at least quarterly. The draft Part 71 permit requires the permittee to record and report to the EPA semi-annually the results of all the required work practice, operational, testing and monitoring.

40 C.F.R. Part 68 (Chemical Accident Prevention Provisions)

This rule applies to stationary sources that manufacture, process, use, store or otherwise handle more than the threshold quantity of a regulated substance in a process. Regulated substances include 77 toxic and 63 flammable substances which are potentially present in the natural gas stream entering the facility and in the storage vessels located at the facility. The quantity of a regulated substance in a process is determined according to the procedures presented under § 68.115. Sections 68.115(b)(l) and (2)(i) indicate that toxic and flammable substances in a mixture do not need to be considered when determining whether more than a threshold quantity is present at a stationary source if the concentration of the substance is below one percent by weight of the mixture. Section 68.115(b)(2)(iii) indicates that prior to entry into a natural gas processing plant, regulated substances in naturally occurring hydrocarbon mixtures need not be considered when determining whether more than a threshold quantity is present at a stationary source. Naturally occurring hydrocarbon mixtures need not be considered when determining whether more than a threshold quantity is present at a stationary source. Naturally occurring hydrocarbon mixtures need not be considered when determining whether more than a threshold quantity is present at a stationary source. Naturally occurring hydrocarbon mixtures include condensate, field gas, and produced water.

Based on the information provided by MWP in their Part 71 renewal application, Fidlar does not have regulated substances above the threshold quantities in this rule; and therefore, is not subject to the requirement to develop and submit a risk management plan.

40 C.F.R. Part 82 (Stratospheric Ozone and Climate Protection)

<u>40 C.F.R. Part 82, Subpart B (Servicing of Motor Vehicle Air Conditioners)</u>: This subpart applies to any person performing service on a motor vehicle for consideration when this service involves the refrigerant in the motor vehicle air conditioner.

Based on the information provided by MWP in their Part 71 renewal application, Fidlar contains motor vehicle air conditioners equipment onsite, and therefore, is subject to the applicable requirements as specified in this subpart.

<u>40 C.F.R. Part 82, Subpart F (Recycling and Emissions Reduction)</u>: This subpart applies to any person maintaining, servicing or repairing appliances, except for motor vehicle air conditioners. This subpart also applies to persons disposing of appliances, including motor vehicle air conditioners. An appliance is any device which uses a class I or class II substance or a substitute as refrigerant as a refrigerant and which is used for household or commercial purposes, including any air conditioner, refrigerator, chiller, or freezer.

Based on the information provided by MWP in their Part 71 renewal application, Fidlar contains small appliances onsite, and therefore, is subject to the applicable requirements as specified in this subpart.

EPA Trust Responsibility - consultation requirements

Endangered Species Act (ESA), 16 U.S.C. § 1531 et seq.

Under section 7(a)(2) of the ESA, federal agencies are required to ensure that actions they authorize, fund, or carry out are not likely to jeopardize the continued existence of any listed, threatened, or endangered species, or destroy or adversely modify the designated critical habitat of such species. 16 U.S.C. § 1536(a)(2). The U.S. Fish and Wildlife Service and National Marine Fisheries Service have promulgated ESA implementing regulations at 50 C.F.R. part 402.

The CAA title V permit program requires the EPA to issue a permit specifically describing the permittee's existing pollution control obligations under the CAA. A title V permit does not generally create any new substantive requirements, but rather simply incorporates all existing CAA requirements, called "applicable requirements," into a single unified operating permit applicable to a particular facility. The title V permit the EPA is issuing to MWP does not authorize the construction of new emission units, or emission increases from existing units, nor does it otherwise authorize any physical modifications to the facility or its operations. The EPA has concluded that the permit appropriately incorporates all existing CAA requirements applicable to the facility. The EPA lacks discretion in this title V permitting decision to take action that could inure to the benefit of any listed species or their critical habitat. The EPA has concluded that issuance of this permit will have no effect on any listed species or their critical habitat. Accordingly, this permit action is consistent with the requirements of ESA section 7.

National Historic Preservation Act (NHPA), Public Law 89-665; 54 U.S.C. 300101 et seq.

The title V permit EPA is issuing to MWP does not authorize the construction of new emission units, or emission increases from existing units, nor does it otherwise authorize any physical

modifications to the facility or its operations. The EPA has concluded that issuance of this permit will have no effect on any property under the NHPA of 1966 pursuant to section 106 of the NHPA, which requires federal agencies to consider the impact of their actions on historic properties.

Environmental Justice (EJ)

Executive Order 12898³ directs federal agencies "to the greatest extent practicable and permitted by law," to "make achieving environmental justice part of its mission by identifying and addressing as appropriate, disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations." Executive Order 14008⁴ further directs federal agencies to "to address the disproportionately high and adverse human health, environmental, climate-related and other cumulative impacts on disadvantaged communities, as well as the accompanying economic challenges of such impacts." In addition, Executive Order 13985⁵ calls on each federal agency to "pursue a comprehensive approach to advancing equity for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality." Accordingly, advancing environmental justice and equity is one of EPA's highest priorities as set forth in the Agency's FY22-26 Strategic Plan.⁶

The EPA defines "Environmental Justice" (EJ) to include the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and polices. The EPA's goal is to provide an opportunity for overburdened populations or communities to participate in the permitting process. "Overburdened" is used to describe the minority, low-income, tribal and indigenous populations or communities in the United States that potentially experience disproportionate environmental harms and risks due to exposures or cumulative impacts or greater vulnerability to environmental hazards.

As part of EPA's trust responsibility to the Ute Indian Tribe and the above noted Executive Orders, the EPA has kept the Tribe informed about this permit action by copying them on key communications such as the emailed application completeness determination and will provide a minimum 30-day public comment period, and opportunity for a public hearing if requested. The EPA does not routinely offer tribal consultation on Title V renewal permits for existing operating sources that do not incorporate any significant changes from the previously issued permit unless there is a request or known interest from the Tribe.

5. Permit Content

Draft permit sections 1 - 7

³ 59 FR 7629 (Feb. 16, 1994).

⁴ https://www.federalregister.gov/documents/2021/02/01/2021-02177/tackling-the-climate-crisis-at-home-and-abroad

⁵ Available at https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/20/executive-order-

advancing-racial-equity-and-support-for-underserved-communities-through-the-federal-government/.

⁶ https://www.epa.gov/planandbudget/strategicplan.

The draft permit contains all of the required elements for Part 71 permits, as specified in 40 C.F.R. § 71.5, including, but not limited to:

- 1. Emissions limitations and standards, including those operational requirements and limitations that assure compliance with all applicable requirements at the time of permit issuance, as identified and discussed in this Statement of Basis;
- 2. The permit duration, not to exceed 5 years;
- 3. Monitoring and related recordkeeping and reporting requirements sufficient to assure and demonstrate compliance with all applicable requirements;
- 4. A severability clause to ensure the continued validity of the various permit requirements in the event of a challenge to any portions of the permit;
- 5. Specific provisions stating that: (a) any noncompliance constitutes a violations of the CAA and is grounds for enforcement action; (b) it is not a defense for the Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the permit; (c) instructions for how the permit may be modified, revoked, reopened, reissued, or terminated for cause; (d) the permit does not convey and property rights or exclusive privilege; (e) and upon request, the Permittee shall furnish to the permitting authority copies of required records;
- 6. A provision to ensure that the Permittee pays fees to the EPA consistent with the fee schedule approved in 40 C.F.R. § 71.9;
- 7. A provision to ensure that the permit expires upon five years elapsing from the effective date; and
- 8. An off-permit changes provision allowing changes that are not addressed or prohibited by the permit.

Changes Between the Previous Permit and Draft Permit

The permit has been reformatted using the EPA's new Part 71 permit and statement of basis standard templates. As a result, the permit condition numbering system has changed from the previous permit. The permit includes area source Subpart ZZZZ requirements for Emission Unit FS02. The previous permit erroneously omitted these requirements even though the EPA had received comments on the proposed draft permit. EPA acknowledged the mistake in the Response to Comments letter but didn't correct the final permit before issuance. The permit also includes 40 C.F.R. Part 82, subparts B and F requirements for small appliances and motor vehicle air conditioners. For national consistency, the semi-annual reporting timeframe in the renewed permit (permit condition 44) is 30 days following the end of reporting period instead of 90 days listed in the previously issued permit.

6. Public Participation

Public Notice

As described in 40 C.F.R. § 71.11(a)(5), all Part 71 draft operating permits shall be publicly noticed and made available for public comment. The public notice of permit actions and public comment period is described in 40 C.F.R. § 71(d).

There will be a 30-day public comment period for actions pertaining to a draft permit. Notification will be given for this draft permit to the permit applicant, the affected tribe, the affected state, the tribal and local air pollution control agencies, the city and county executives, and the state and federal land managers which have jurisdiction over the area where the source is located. A notification will also be provided to all persons who have submitted a written request to be included on the notification list. If you would like to be added to our notification list to be informed of future actions on this or other CAA permits issued in Indian country, please send an email using the link for Region 8 CAA permit public comment opportunities at http://www.epa.gov/caa-permitting/caa-permit-public-comment-opportunities-region-8.

Public notice will be provided at <u>http://www.epa.gov/caa-permitting/caa-permit-public-</u> <u>comment-opportunities-region-8</u> giving opportunity for public comment on the draft permit and the opportunity to request a public hearing.

Opportunity to Comment

Members of the public will be given an opportunity to review a copy of the draft permit prepared by the EPA, the application, this Statement of Basis for the draft permit and all supporting materials for the draft permit. An electronic copy of the draft permit and related documents may be viewed online at the website cited below. Information is also available by emailing or speaking with the following contact:

Contact: Suman Kunwar, Environmental Engineer, (303) 312-6095 or suman.kunwar@epa.gov.

Electronic copies of the draft permit, Statement of Basis and supporting permit record may be accessed for review at:

https://www.epa.gov/caa-permitting/caa-permit-public-comment-opportunities-region-8.

Any interested person may submit written comments on the draft Part 71 operating permit during the public comment period by email using the instructions on the public comment opportunities web site address listed above or through <u>https://www.regulations.gov</u> (Docket I.D. #<u>EPA-R08-OAR-2022-0726</u>). All comments will be considered and answered by the EPA in making the final decision on the permit. The EPA keeps a record of the commenters and of the issues raised during the public participation process.

Anyone, including the applicant, who believes any condition of the draft permit is inappropriate should raise all reasonable ascertainable issues and submit all arguments supporting their position by the close of the public comment period. Any supporting materials submitted must be

included in full and may not be incorporated by reference, unless the material has already been submitted as part of the administrative record in the same proceeding or consists of state or federal statutes and regulations, EPA documents of general applicability or other generally available reference material.

The final permit will be a public record that can be obtained upon request. A statement of reasons for changes made to the draft permit and responses to comments received will be sent to all persons who comment on the draft permit. The final permit and response to comments document will also be available online at: https://www.epa.gov/caa-permitting/caa-permits-issued-epa-region-8. Anyone may request a copy of the final permit at any time by contacting the Tribal Air Permit Program by sending an email to <u>r8airpermitting@epa.gov</u>.

Opportunity to Request a Hearing

A person may submit a written request for a public hearing to the Part 71 Permitting Lead, U.S. EPA Region 8, by stating the nature of the issues to be raised at the public hearing. Based on the number of hearing requests received, the EPA will hold a public hearing whenever it finds there is a significant degree of public interest in a draft operating permit. The EPA will provide public notice of the public hearing. If a public hearing is held, any person may submit oral or written statements and data concerning the draft permit.

Appeal of Permits

Within 30 days after the issuance of a final permit decision, any person who filed comments on the draft permit or participated in the public hearing may petition to the Environmental Appeals Board (EAB) to review any condition of the permit decision. Any person who failed to file comments or participate in the public hearing may petition for administrative review, only if the changes from the draft to the final permit decision or other new grounds were not reasonably foreseeable during the public comment period. The 30-day period to appeal a permit begins with the EPA's service of the notice of the final permit decision.

The petition to appeal a permit must include a statement of the reasons supporting the review, a demonstration that any issues were raised during the public comment period, a demonstration that it was impracticable to raise the objections within the public comment period or that the grounds for such objections arose after such a period. When appropriate, the petition may include a showing that the condition in question is based on a finding of fact or conclusion of law which is clearly erroneous; or, an exercise of discretion, or an important policy consideration that the EAB should review.

The EAB will issue an order either granting or denying the petition for review, within a reasonable time following the filing of the petition. Public notice of the grant of review will establish a briefing schedule for the appeal and state that any interested person may file an amicus brief. Notice of denial of review will be sent only to the permit applicant and to the person requesting the review. To the extent review is denied, the conditions of the final permit decision become final agency action.

A motion to reconsider a final order shall be filed within ten days after the service of the final order. Every motion must set forth the matters claimed to have been erroneously decided and the nature of the alleged errors. Motions for reconsideration shall be directed to the Administrator rather than the EAB. A motion for reconsideration shall not stay the effective date of the final order unless it is specifically ordered by the EAB.

Petition to Reopen a Permit for Cause

Any interested person may petition the EPA to reopen a permit for cause, and the EPA may commence a permit reopening on its own initiative.

The EPA will only revise, revoke and reissue, or terminate a permit for the reasons specified in 40 C.F.R. § 71.7(f) or 71.6(a)(6)(i). All requests must be in writing and must contain facts or reasons supporting the request. If the EPA decides the request is not justified, it will send the requester a brief written response giving a reason for the decision. Denial of these requests is not subject to public notice, comment or hearings. Denials can be informally appealed to the EAB by a letter briefly setting forth the relevant facts.

Abbreviations and Acronyms

ASTM	American Society for Testing and Materials
CAA	Clean Air Act [42 U.S.C. § 7401, et seq.]
C.F.R.	Code of Federal Regulations
EPA	U.S. Environmental Protection Agency, Region #8
EU	Emission Unit
Facility	Fidlar Compressor Station, Latitude 40.039722N, Longitude 109.456944W
gal	gallon
g	grams
HAP	Hazardous Air Pollutant
hr	hour
Id. No.	Identification Number
kg	kilogram
lb	pound
MACT	Maximum Achievable Control Technology
Mg	Megagram
MMBtu	Million British Thermal Units
NESHAP	National Emission Standards for Hazardous Air Pollutants
NO _x	Nitrogen Oxides
NSPS	New Source Performance Standards
NSR	New Source Review
Operator	Utah Gas Corporation
Permittee	Utah Gas Corporation
PM	Particulate Matter
PM_{10}	Particulate Matter less than 10 microns in diameter
ppm	parts per million
PSD	Prevention of Significant Deterioration
PTE	Potential to Emit
SO_2	Sulfur Dioxide
VOC	Volatile Organic Compounds